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E.O. 12958: DECL: 03/27/2016
TAGS: [PREL](#) [EAID](#) [IZ](#) [JA](#)
SUBJECT: AMBASSADOR YAMAMOTO DISCUSSES IRAQ RECONSTRUCTION
REF: TOKYO 1564

Classified By: Deputy Chief of Mission Joe Donovan. Reasons 1.4 (b/d).

11. (C) Summary. During a March 27 meeting with the DCM, MOFA Ambassador for Counterterrorism (CT) Cooperation, Reconstruction Activities in Iraq and North Korea Nuclear Issues Tadamichi Yamamoto:

-- outlined Japan's immediate plans to assist with Iraq's reconstruction,

-- welcomed an update on the security situation in Iraq, and

-- asked for help in identifying reliable organizations to help implement programs. End Summary.

Iraq Reconstruction

12. This message contains an Action Request, para 7.

13. (C) Tadamichi Yamamoto, Ambassador for Counterterrorism Cooperation, Reconstruction Activities in Iraq and North Korea Nuclear Issues, informed the DCM during a March 27 meeting that Japan was ready to announce three soft yen-loan projects for Iraq reconstruction on March 28: dredging the port of Umm Qasr, installing irrigation systems around the country and building an electric generation plant near Baghdad (reftel). Yamamoto hinted that a fourth project would be announced in the future.

14. (C) Yamamoto shared that in "typical" Iraqi fashion, just prior to formalizing the agreement to build the electric generation plant the Iraqis forced it back to the drawing board by insisting on untied aid. Luckily, the Japanese government was able to repeat the negotiation process in time for the announcement on March 28. Yamamoto had been scheduled to travel to Jordan to discuss Iraq reconstruction in February, but had to cancel his trip, in part due to developments on the ground in Iraq. He would still like to go to Jordan and welcomed an update on the security situation in Iraq.

15. (C) During his recent visit to Washington, DC, Yamamoto related, he had been impressed with U.S. responsiveness to the needs on the ground in Iraq. He commended the United States for including \$23 billion in its budget to help rebuild parts of Iraq. Rehabilitating devastated Iraqi cities is also on Japan's agenda, he noted, and expressed interest in helping.

16. (C) The Sunni population, however, remains skeptical that the progress in Iraq will benefit them, Yamamoto observed. Japan would like to help improve their living situation, perhaps by building health facilities. Japan faces two challenges in pursuing this plan: finding an organization

that is capable of implementing projects, and ensuring that the group properly accounts for the money given to it. Yamamoto said he had spoken with MOFA's Economic Cooperation Bureau and gotten their buy-in, as long as the above two criteria are met. Despite reports that a few terrorists may belong to the Red Crescent -- which Yamamoto said is "unavoidable" -- Japan is taking a close look at using it as a vehicle to help rebuild. He welcomed any advice the United States could provide on appropriate organizations, and requested that it be sent directly to his office in Tokyo via the U.S. Embassy.

17. ACTION REQUEST. Please provide recommendations on appropriate organizations that Japan might use to implement its assistance projects in Iraq.
SCHIEFFER